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A-475-801  
A-412-801  
Sunset Reviews  
Public Document  
AD/CVD 5: FWA

MEMORANDUM TO: Joseph A. Spetrini  
Acting Assistant Secretary  
for Import Administration

FROM: Barbara E. Tillman  
Acting Deputy Assistant Secretary  
for Import Administration

SUBJECT: Issues and Decision Memorandum for the Expedited Sunset Reviews  
of the Antidumping Duty Orders on Antifriction Bearings and Parts  
Thereof from France, Germany, Italy, and the United Kingdom;  
Final Results

### Summary

We have analyzed the substantive responses of the domestic interested parties in the second sunset reviews of the antidumping duty orders covering antifriction bearings and parts thereof from France, Germany, Italy, and the United Kingdom. We recommend that you approve the positions we developed in the Discussion of the Issues section of this memorandum. Below is the complete list of the issues in these sunset reviews for which we received substantive responses:

1. Likelihood of continuation or recurrence of dumping
2. Magnitude of the margins likely to prevail

### History of the Orders

The Department of Commerce (the Department) published its final affirmative determinations of sales at less than fair value (LTFV) in the Federal Register with respect to imports of antifriction bearings and parts thereof from France, Germany, Italy, and the United Kingdom (UK) which contained the following rates:<sup>1</sup>

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<sup>1</sup>See Final Determinations of Sales at Less Than Fair Value; Antifriction Bearings (Other Than Spherical Plain and Tapered Roller Bearings) and Parts Thereof From France, 54 FR 19092 (May 3, 1989); Final Determinations of Sales at Less Than Fair Value; Antifriction Bearings (Other Than Spherical Plain and Tapered Roller Bearings) and Parts Thereof From the Federal Republic of Germany, 54 FR 18992 (May 3, 1989); Final

France

*Spherical plain bearings:*

SKF France	39.00
All Other French Manufacturers/Exporters/Producers	39.00

*Ball bearings:*

INA	66.18
SKF	66.42
SNR	56.50
All Other French Manufacturers/Exporters/Producers	65.13

Germany

SKF Germany	132.25
FAG Germany	70.41
INA	31.29
All Other German Manufacturers/Exporters/Producers	68.89

Italy

FAG Italy	68.29
SKF Italy	155.99
All Other Italian Manufacturers/Exporters/Producers	155.57

United Kingdom

RHP	44.12
SKF UK	61.14
All Other British Manufacturers/Exporters/Producers	54.31

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After notification of the affirmative determination of material injury by the International Trade Commission (ITC), the Department later published in the Federal Register antidumping duty orders on antifriction bearings from France, Germany, Italy, and the UK.<sup>2</sup> Since the issuance of

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Determinations of Sales at Less Than Fair Value: Antifriction Bearings (Other Than Spherical Plain and Tapered Roller Bearings) and Parts Thereof From Italy; Final Determination of Sales at Not Less Than Fair Value: Spherical Plain Bearings and Parts Thereof, From Italy, 54 FR 19096 (May 3, 1989); Final Determinations of Sales at Less Than Fair Value: Antifriction Bearings (Other Than Spherical Plain Bearings and Tapered Roller Bearings) and Parts Thereof From the United Kingdom; and Final Determination of Sales at Not Less Than Fair Value: Spherical Plain Bearings Parts Thereof From the United Kingdom, 54 FR 19120 (May 3, 1989).

<sup>2</sup> See Antidumping Duty Orders: Ball Bearings, Cylindrical Roller Bearings, Spherical Plain Bearings, and Parts Thereof From France, 54 FR 20902 (May 15, 1989); Antidumping Duty Orders: Ball Bearings, Cylindrical Roller Bearings, and Spherical Plain Bearings and Parts Thereof From the Federal Republic of Germany, 54 FR 20900 (May 15, 1989); Antidumping Duty Orders: Ball Bearings and Cylindrical Roller Bearings

the antidumping duty orders, the Department has conducted annual administrative reviews with respect to antifriction bearings from France, Germany, Italy and the UK. There have been no changed-circumstance reviews of these orders. Duty-absorption inquiries may not be conducted on pre-URAA orders.<sup>3</sup> The Department has conducted several scope rulings with regard to antifriction bearings.<sup>4</sup> The above-listed orders remain in effect for all manufacturers, producers, and exporters of the subject merchandise from France, Germany, Italy, and the UK.<sup>5</sup>

The Department conducted the first sunset reviews on antifriction bearings from France, Germany, Italy, and the UK, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act), and found that revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of dumping at the same rates as found in the original investigations.<sup>6</sup> The ITC determined, pursuant to section 751(c) of the Act, that revocation of these antidumping duty orders would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>7</sup> Thus, the Department published the notice of continuation of these antidumping duty orders.<sup>8</sup>

Since the final results of the first sunset review, the Department completed five administrative

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and Parts Thereof From Italy, 54 FR 20903 (May 15, 1989); Antidumping Duty Orders and Amendments to the Final Determinations of Sales at Less Than Fair Value: Ball Bearings, and Cylindrical Roller Bearings and Parts Thereof From the United Kingdom, 54 FR 20910 (Monday, May 15, 1989).

<sup>3</sup> See FAG Italia S.p.A. v. United States, 291 F.3d 806 (Fed. Cir. 2002); URAA refers to the Uruguay Round Agreements Act of 1994, which implemented the Uruguay Round General Agreement on Tariffs and Trade (GATT).

<sup>4</sup> For a listing of scope determinations which pertain to the orders, see the Scope Determination Memorandum (Scope Memorandum) from the Antifriction Bearings Team to Laurie Parkhill, dated April 15, 2005. The Scope Memorandum is on file in the Central Records Unit (CRU), main Commerce building, Room B-099, in the General Issues record (A-100-001) for the 03/04 reviews.

<sup>5</sup> France is the only country for which there is a sunset review of the antidumping duty order on spherical plain bearings. All other spherical plain bearings orders were revoked during the first sunset review of antifriction bearings. See Certain Bearings From Hungary, Japan, Romania, Sweden, France, Germany, Italy, and the United Kingdom: Revocation of Antidumping Duty Orders, 65 FR 42667 (July 11, 2000).

<sup>6</sup> See Final Results of Expedited Sunset Reviews: Antifriction Bearings From France, 64 FR 60321 (November 4, 1999); Final Results of Expedited Sunset Reviews: Antifriction Bearings From Germany, 64 FR 60309 (November 4, 1999); Final Results of Expedited Sunset Review: Ball Bearings From Italy, 64 FR 60295 (November 4, 1999); Final Results of Expedited Sunset Reviews: Antifriction Bearings From the United Kingdom, 64 FR 60326 (November 4, 1999).

<sup>7</sup> See Certain Bearings From China, France, Germany, Hungary, Italy, Japan, Romania, Singapore, Sweden, and the United Kingdom, 65 FR 39925 (June 28, 2000) and USITC Publication 3309, Investigations Nos. AA1921-143, 731-TA-341, 731-TA-343-345, 731-TA-391-397, and 731-TA-399 (Review) (June 2000).

<sup>8</sup> See Continuation of Antidumping Duty Orders: Certain Bearings From France, Germany, Italy, Japan, Singapore, the United Kingdom, and the People's Republic of China, 65 FR 42665 (July 11, 2000).

reviews. This sunset review covers imports of all producers and exporters of ball bearings, except for Paul Müller, for which the order was revoked. See Antifriction Bearings and Parts Thereof From: France, Germany, Italy, Japan, Singapore, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews, Rescission of Administrative Reviews in Part, and Determination To Revoke Order in Part, 69 FR 55574 (September 15, 2004).

On June 1, 2005, the Department published the notice of initiation of the second sunset reviews of the antidumping duty orders on antifriction bearings from France, Germany, Italy, and the UK.<sup>9</sup> The Department received the Notice of Intent to Participate from the Timken Company,<sup>10</sup> Pacamor Kubar Bearings, RBC Bearings (collectively, “the domestic interested parties”), and NSK Corporation (NSK Corp.) within the deadline specified in section 351.218(d)(1)(i) of the Department’s Regulations (Sunset Regulations). The domestic interested parties and NSK Corp. claimed interested-party status under section 771(9)(C) of the Act as a manufacturer, producer, or wholesaler of the subject merchandise in the United States. We received complete substantive responses from the domestic interested parties and NSK Corp. within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).

We did not receive substantive responses from any respondent interested parties in the sunset reviews of the antidumping duty orders on antifriction bearings and parts thereof from France, Germany, or Italy. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted an expedited (120-day) sunset reviews of these orders.

For the sunset review of the antidumping duty order on antifriction bearings and parts thereof from the UK, the Department received a substantive response from respondent NSK Europe Ltd. and NSK Bearings Ltd. (collectively, NSK UK). The Department found that NSK UK did not meet the adequacy threshold pursuant to section 351.218(e)(1)(ii)(A) of the Sunset Regulations.<sup>11</sup> As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department has conducted an expedited (120-day) sunset review of this order.

#### Discussion of the Issues:

In accordance with section 751(c)(1) of the Act, the Department conducted these sunset reviews to determine whether revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of dumping. Sections 752(c)(1)(A) and (B) of the Act provide that, in making these determinations, the Department shall consider both the weighted-average dumping

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<sup>9</sup> See Initiation of Five-Year (“Sunset”) Reviews, 70 FR 31423 (June 1, 2005).

<sup>10</sup> The Timken Company acquired the assets of the Torrington Company as well as the assets of MPB Corporation, both of which were petitioners in the original investigations.

<sup>11</sup> See Adequacy Determination Memorandum from the Sunset Team to Laurie Parkhill, dated July 21, 2005.

margins determined in the investigations and subsequent reviews and the volume of imports of the subject merchandise for the periods before and the periods after the issuance of the antidumping duty orders. In addition, section 752(c)(3) of the Act provides that the Department shall provide to the ITC the magnitude of the margins of dumping likely to prevail if the orders were revoked. Below we address the comments of the interested parties.

## 1. Likelihood of Continuation or Recurrence of Dumping

### Interested-Party Comments

The domestic interested parties believe that revocation of these antidumping duty orders would be likely to lead to a continuation or recurrence of dumping by the French, German, Italian and British manufacturers, producers, and exporters of the subject merchandise due to continued dumping.

*France (BBs):* Domestic interested parties state that, since the inception of the order on ball bearings (BBs) from France, dumping margins have continued at above *de minimis* levels. See Substantive Response of Timken Company: Ball Bearings from France, dated July 1, 2005, at 8 (Timken France Response). The domestic interested parties also state that the volume of imports subject to this order declined after the imposition of the order, indicating that the French manufacturers, producers, and exporters must dump the subject merchandise in order to continue to sell at pre-order volumes. See Timken France Response at 10. Thus, the domestic interested parties conclude that the substantial dumping margins and significant decline of imports demonstrate that revocation of the order will certainly lead to a continuation of dumping. See Timken France Response at 14.

*France (SPBs):* Domestic interested parties state that, since the inception of the order on BBs from France, dumping margins have continued at above *de minimis* levels. See Substantive Response of Timken Company: Spherical Plain Bearings from France, dated July 1, 2005, at 7 (Timken SPBs Response). Domestic interested parties point out that between 2001-2003, imports of spherical plain bearings (SPBs) were well below values from the first sunset review. See Timken SPBs response at 8-9. During the period of this review, the domestic interested parties acknowledge that imports increased significantly (by value) in 2004. See Timken SPBs response at 8-9. Domestic interested parties assert that French SPBs producers have been able to increase their imports by value despite substantial and increased dumping margins and that revocation would lead to spiked imports as happened with German SPBs subsequent to the revocation of the German antidumping duty order on SPBs in 2000. See Timken SPBs response at 9. Thus, the domestic interested parties conclude the substantial dumping margins and recent spike in imports despite substantial dumping margins demonstrate that revocation will certainly lead to a continuation of dumping. Timken SPBs Response at 14.

*Germany:* Domestic interested parties state that, since the inception of the order on BBs from Germany, dumping margins have continued at above *de minimis* levels. The domestic interested

parties assert that dumping continued on substantial levels for at least one major German exporter/producer for every administrative review conducted since the imposition of the order. See Substantive Response of Timken Company: Ball Bearings from Germany, dated July 1, 2005, at 8-9 (Timken Germany Response). Also, domestic interested parties assert that German imports of BBs have generally declined since the imposition of the order, and have never risen to pre-order levels. Because of these facts, domestic interested parties conclude, dumping by German producers would continue at current or greater levels should the order be revoked. See Timken Germany Response at 22.

*Italy:* Domestic interested parties state that, since the inception of the order on BBs from Italy, dumping margins have continued at above *de minimis* levels. Additionally, domestic interested parties point out that dumping has consistently been found by Italian producers of BBs over the 14 administrative reviews since the inception of the order. See Substantive Response of Timken Company: Ball Bearings from Italy, dated July 1, 2005, at 8 (Timken Italy Response). Also, domestic interested parties assert that Italian imports of BBs have generally declined since the imposition of the order, and have never risen back to pre-order levels. See Timken Italian Response at 9. Because of these facts, domestic interested parties conclude that dumping by Italian producers would continue at current or greater levels should the order be revoked. See Timken Italy Response at 17.

*United Kingdom:* Domestic interested parties state that, since the inception of the order on BBs from the UK, dumping margins have continued at above *de minimis* levels. See Substantive Response of Timken Company: Ball Bearings from the United Kingdom, dated July 1, 2005, at 9 (Timken UK Response). Also, domestic interested parties assert that while import volume of BBs from the UK have fluctuated over the life of the order, imports have generally declined since 2000 and have generally been lower than pre-order volumes. See Timken UK Response at 10. Because of these facts, domestic interested parties conclude, dumping by Italian producers would continue at current or greater levels should the order be revoked. See Timken UK Response at 16-17.

NSK Corp. submitted substantive comments arguing for revocation of all BB orders. NSK Corp. argues that revocation of the antidumping duty orders on BBs is not likely to lead to continuation or recurrence of dumping. NSK Corp. argues that the Department's fair-value analysis includes results for those US sales in which the export price and constructed export price (collectively U.S. price) was below normal value, but does not include the results for those U.S. sales in which the U.S. price was above normal value. NSK Corp. contends that this practice violates U.S. antidumping law and international obligations. Specifically, NSK Corp. refers to the fact that the World Trade Organization's (WTO) Appellate Body has found repeatedly that this practice is in violation of the United States' WTO treaty obligations<sup>12</sup> and therefore is in violation of U.S. law.

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<sup>12</sup>The respondents cite United States - Final Dumping Determination on Softwood Lumber from Canada, WT/DS264/AB/R (August 11, 2004), European Communities - Anti-Dumping Duties on Imports of Cotton-Type Bed Linen from India, WT/DS141/AB/R (March 1, 2001); and United States - Sunset Review of Anti-dumping

See Substantive Response of NSK Corp.: Ball Bearings from France, Germany, Italy, Japan, Singapore, and the United Kingdom, dated July 1, 2005, at 3-5 (NSK Response).

Therefore, NSK Corp. argues, the margins the Department calculated during the original investigations are invalid, because they were calculated using the disputed methodology. Thus, NSK Corp. states, the Department should recalculate those margins for these sunset reviews; it provides its alternative calculations. According to NSK Corp. those margins would have been *de minimis* and therefore the orders would have been revoked long ago, thereby demonstrating that no further harm could be done by revocation of the orders in these sunset reviews. See NSK response at 5.

Also, NSK states there is an overall lack of support among the domestic industry for the continuation of the BB orders. NSK observes that during the first sunset reviews of BBs, 57.5 percent of domestic producers by value of U.S. shipments supported revocation of the antidumping duty orders on BBs from the various countries, while only 31 percent supported continuation of the orders. Therefore, because more than 50 percent of the domestic industry expressed opposition recently to the continuation of these orders, NSK argues that the Department should revoke the orders on BBs from the subject countries.

#### Department's Position

Drawing upon the guidance provided in the legislative history accompanying the URAA, specifically the Statement of Administrative Action (SAA), H.R. Doc. No. 103-316, vol. 1 (1994), the House Report, H. Rep. No. 103-826, pt. 1 (1994) (House Report), and the Senate Report, S. Rep. No. 103-412 (1994) (Senate Report), the Department's determinations of likelihood will be made on an order-wide basis. In addition, the Department normally will determine that revocation of an antidumping duty order is likely to lead to continuation or recurrence of dumping where (a) dumping continued at any level above *de minimis* after the issuance of the order, (b) imports of the subject merchandise ceased after the issuance of the order, or (c) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly. In addition, pursuant to section 752(c)(1)(B) of the Act, the Department considers the volume of imports of the subject merchandise for the period before the issuance of the antidumping order as well as import volumes over the past five years.

We disagree with NSK Corp.'s claim that the margins calculated during the original investigations are invalid, and we further disagree that revocation of the orders would not lead to continued dumping. NSK Corp.'s argument is based on its contention that the WTO Appellate Body has held that our methodology of not offsetting dumped sales with non-dumped sales is inconsistent with U.S. international obligations under the Antidumping Agreement. As we stated in the Notice of Final Results of Antidumping Duty Administrative Review: Carbon and Certain

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Duties on Corrosion-Resistant Carbon Steel Flat Products from Japan, WT/DS244/AB/R (December 15, 2003), to support their claim.

Alloy Steel Wire Rod from Canada, 69 FR 68309 (November 24, 2004) (Wire Rod), Congress made clear that reports issued by WTO panels or the Appellate Body "will not have any power to change U.S. law or order such a change" (SAA at 659). The SAA emphasizes that "panel reports do not provide legal authority for federal agencies to change their regulations or procedures." SAA at 1032; see also Corus Staal BV v. Department of Commerce, 395 F.3d 1343 (Fed. Cir. 2005) (Corus Staal II) at 1348 ("WTO decisions are not binding on the United States") (citations and quotation marks omitted). To the contrary, Congress has adopted an explicit statutory scheme for addressing the implementation of WTO dispute-settlement reports. See Section 129 of the URAA. As is clear from the discretionary nature of that scheme, Congress did not intend for WTO dispute-settlement reports to automatically trump the exercise of the Department's discretion in applying the statute. See Section 129(b)(4) of the URAA (implementation of WTO reports is discretionary); see also SAA at 1023 ("[a]fter considering the views of the Committees and the agencies, the Trade Representative may require the agencies to make a new determination that is 'not inconsistent' with the panel or Appellate Body recommendations..."). See Wire Rod and accompanying Issues and Decision Memorandum at Comment 8.

Therefore, the Department's margin-calculation methodology is valid so long as it is consistent with U.S. law. Court of Appeals for the Federal Circuit has ruled that the Department's margin-calculation methodology is a reasonable interpretation of the statute. See Timken Co. vs. United States, 354 F.3d 1334 (Fed. Cir. 2004) at 1342; see also Corus Staal II at 1343. Specifically, in Timken, the Court of Appeals for the Federal Circuit ruled explicitly that the Department's practice of not offsetting dumped sales with non-dumped sales, *i.e.*, not allowing U.S. sales not priced below normal value to offset margins found on other U.S. sales, is a reasonable interpretation of section 751(a)(2)(A) of the Act. Further, we have continued our practice of not offsetting dumped sales with non-dumped sales in prior cases. See Ball Bearings and Parts Thereof from France, Germany, Italy, Japan, Singapore, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews, 70 FR 54711 (September 16, 2005), and the accompanying Issues and Decision Memorandum at Comment 1 and Final Determination of Sales at Less Than Fair Value: Certain Hot-Rolled Carbon Steel Flat Products from the Netherlands, 66 FR 50408 (October 3, 2001), and the accompanying Issues and Decision Memorandum at Comment 1; see also Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of 2000-2001 Administrative Review, Partial Rescission of Review, and Determination to Revoke Order, in Part, 67 FR 68990 (November 14, 2002), and the accompanying Issues and Decision Memorandum at Comment 9.

Therefore, the methodology we used to calculate the margins in the original investigations and subsequent administrative reviews were and remain valid under U.S. law. Thus, we conclude that the rates we calculated at the investigations and in administrative reviews demonstrate that, without the discipline of the orders, imports of the subject merchandise would continue to be dumped and that dumping continued at above *de minimis* rates after the issuance of the involved antidumping duty orders.



Finally, we disagree with the contention by NSK Corp. that the orders should be revoked because there is an overall lack of support among the domestic industry for the continuation. Our Sunset Regulations do not state a threshold that the domestic industry must meet in order to participate in sunset reviews. Rather, the sunset regulations state clearly that the criteria for a domestic party wishing to participate in these reviews is that it file a valid notice of intent to participate within 15 days of the publication of the notice of initiation,<sup>13</sup> and that the notice of intent to participate contain certain required information.<sup>14</sup> In these reviews, the Timken Company, Pacamor Kubar Bearings and RBC Bearings filed timely and adequate notices of intent to participate with the Department. Therefore, there is no basis for revocation of the sunset reviews under our regulations for lack of domestic support.

Below we list our findings for each order subject to review:

*France (BBs):* Using Bureau of Census import statistics provided by Timken, the Department finds that the number of units of complete French BBs imported decreased substantially post-order, and remain well below pre-order levels. See attached import statistics. Given that dumping continues at above *de minimis* levels, and imports are below pre-order levels, the Department determines that dumping is likely to continue or recur if the order was revoked.

*France (SPBs):* Using Bureau of Census import statistics provided by the domestic interested parties, the Department finds that the total value of complete French SPBs imported decreased substantially post-order and remain well below pre-order levels. See attached import statistics. Given that dumping continues at above *de minimis* levels and imports of SPBs from other countries exporting SPBs increased after those orders were revoked, the Department determines that dumping is likely to continue or recur if the order was revoked.

*Germany (BBs):* Using Bureau of Census import statistics provided by the domestic interested parties, the Department finds that the number of units of complete German BBs imported decreased substantially post-order and remain well below pre-order levels. See attached import statistics. Given that dumping continues at above *de minimis* levels and imports are below pre-order levels, the Department determines that dumping is likely to continue or recur if the order was revoked.

*Italy (BBs):* Using Bureau of Census import statistics provided by the domestic interested parties, the Department finds that the number of units of complete Italian BBs imported decreased substantially post-order, and remain well below pre-order levels. See attached import statistics. Given that dumping continues at above *de minimis* levels and imports are below pre-order levels, the Department determines that dumping is likely to continue or recur if the order was revoked.

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<sup>13</sup> See 19 CFR 351.218(c)(4)(d)(i).

<sup>14</sup> See 19 CFR 351.218(c)(4)(d)(ii).

*United Kingdom (BBs)*: Using Bureau of Census import statistics provided by the domestic interested parties, the Department finds that the number of units of complete French BBs imported decreased substantially post-order, and remain well below pre-order levels. See attached import statistics. Given that dumping continues at above *de minimis* levels and imports are below pre-order levels, the Department determines that dumping is likely to continue or recur if the order was revoked.

## 2. Magnitude of the Margin Likely to Prevail

### Interested-Party Comments

*France (BBs)*: In its substantive response, Timken requests that the Department report to the ITC the margin that was determined in the final determination in the original investigation in accordance with the SAA. See Timken France Response at 15-16.

*France (SPBs)*: In its substantive response, Timken requests that the Department report to the ITC the margins that were determined in the final determination in the original investigation in accordance with the SAA. See Timken SPBs Response at 10-11.

*Germany (BBs)*: In its substantive response, Timken requests that the Department report to the ITC the margins that were determined in the final determination in the original investigation in accordance with the SAA. See Timken Germany Response at 16.

*Italy (BBs)*: In its substantive responses, Timken requests that the Department report to the ITC the margins that were determined in the final determination in the original investigation in accordance with the SAA. See Timken Italy Response at 13-14.

*United Kingdom (BBs)*: In its substantive responses, Timken requests that the Department report to the ITC the margins that were determined in the final determination in the original investigation in accordance with the SAA. See Timken UK Response at 13.

NSK Corp. argues that, once the practice of not offsetting dumped margins with non-dumped margins is removed from the Department's calculation, the Department's calculations would result in negative or zero margins for NSK Europe Ltd. (NSK UK). Alternatively, NSK Corp. argues that, even if the Department retains the disputed methodology, the Department should use an average-to-average methodology normally used in investigations. According to NSK Corp.'s calculations, the average-to-average methodology results in *de minimis* rates for most if not all foreign producers and exporters of subject merchandise. Therefore, NSK Corp. argues, if the Department rejects NSK Corp.'s argument with respect to offsetting margins, the Department should conclude that the dumping margins likely to prevail if the orders on BBs were revoked would be *de minimis* based on the average-to-average methodology used in the investigations. See NSK response at 7-8.

## Department's Position

We disagree with NSK's assertion that we should use the average-to-average methodology to recalculate the dumping margins likely to prevail should the orders be revoked. Section 751(a)(2)(A)(ii) of the Act requires the Department to calculate a dumping margin for each entry of the subject merchandise. Sunset reviews, investigations, and administrative reviews are separate segments in which the Department's practice and procedures for calculating a dumping margin may differ depending on the segment. For example, in investigations, the Department may determine the dumping margin by comparing the weighted-average normal values to the weighted-average U.S. prices. In administrative reviews, the Department determines the dumping margin by comparing the weighted-average normal values to the U.S. prices of individual transactions. We have calculated the dumping margins with respect to these administrative reviews in compliance with our practice and in compliance with the statute. Therefore, we decline to change our methodology to re-calculate the margins we report to the ITC for these sunset reviews.

Normally the Department will provide to the ITC the company-specific margin from the investigation for each company. For companies not investigated specifically or for companies that did not begin shipping until after the orders were issued, the Department normally will provide a margin based on the "all others" rate from the investigation. The Department's preference for selecting a margin from the investigation is based on the fact that it is the only calculated rate that reflects the behavior of manufacturers, producers, and exporters without the discipline of an order or suspension agreement in place. Under certain circumstances, however, the Department may select a more recently calculated margin to report to the ITC.

The Department has conducted several administrative reviews for each order subject to this final determination. In the final results of these reviews, the Department continued to find margins above *de minimis* levels.<sup>15</sup> In the first sunset reviews, the Department determined that the margin calculations in the investigations were probative of behavior without the discipline of the order. Furthermore, for the second sunset review, the Department finds that it is appropriate to provide the ITC with the rates from the investigations because these are the only calculated rates that reflect the behavior of manufacturers, producers, and exporters without the discipline of the orders in place. Therefore, the Department will report to the ITC these same margins as listed in the Final Results section.

## Final Results of Reviews

We determine that revocation of the antidumping duty orders on antifriction bearings from France, Germany, Italy, and the UK would be likely to lead to continuation or recurrence of dumping at the following weighted-average percentage margins:

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<sup>15</sup> As noted above, the antidumping duty order on BBs from Germany was revoked with respect to Paul Müller.

Manufacturers/Exporters/Producers	Weighted-Average Margin (percent)
<u>France</u>	
<i>Spherical plain bearings:</i>	
SKF France	39.00
All Other French Manufacturers/Exporters/Producers	39.00
<i>Ball bearings:</i>	
INA	66.18
SKF	66.42
SNR	56.50
All Other French Manufacturers/Exporters/Producers	65.13
<u>Germany</u>	
SKF Germany	132.25
FAG Germany	70.41
INA	31.29
All Other German Manufacturers/Exporters/Producers	68.89
<u>Italy</u>	
FAG Italy	68.29
SKF Italy	155.99
All Other Italian Manufacturers/Exporters/Producers	155.57
<u>United Kingdom</u>	
RHP	44.12
SKF UK	61.14
All Other British Manufacturers/Exporters/Producers	54.31

Recommendation

Based on our analysis of the substantive responses received, we recommend adopting all of the above positions. If these recommendations are accepted, we will publish the final results of review in the Federal Register.

AGREE \_\_\_\_\_

DISAGREE \_\_\_\_\_

\_\_\_\_\_  
Barbara E. Tillman  
Acting Assistant Secretary  
for Import Administration

\_\_\_\_\_  
(Date)